



measuring the benefit of federal real property reuse



# Background

As one of three services within the General Services Administration (GSA), the Public Buildings Service (PBS) serves as the Federal Government's builder, developer, lessor, and manager of government-owned and leased properties. In addition to providing a full range of real estate services for federal agencies, PBS is committed to helping the communities in which it works by supporting revitalization efforts in America's cities and towns. PBS works to locate federal employees in central business districts and downtown historic districts, to host community events in federal plazas, and to convey surplus federal property for public use.

The PBS Office of Property Disposal plays an important role in GSA's commitment to revitalizing communities by facilitating the most effective reuse of unneeded federal property. To achieve its mission, the Office of Property Disposal continuously works with partner federal agencies, state and local governments, nonprofit organizations, business groups, and citizens. The collaboration that occurs during the disposal process ensures that the reuse of surplus government real estate creates a lasting, positive impact on its community.



# Federal Real Estate Community Reuse

Underutilized or surplus federal real estate can vary widely in type and value. It often includes undeveloped land, office buildings, warehouses, commercial and industrial facilities, military holdings, and single or multifamily residences. It is located in all parts of the United States.

When no longer needed by the Federal Government, these real estate assets are often transformed into a variety of uses that can provide both economic and social benefits to communities.

Uses include homeless shelters, schools, parks and recreation areas, community centers, ports, highways, state or local government facilities, and privately developed commercial and residential projects. Former federal real estate that continues to serve a public use for a state or local government or nonprofit organization is often made available at little or no cost to the new owner.

More detailed information on the federal disposal process is available at the Office of Property Disposal Web site: www.propertydisposal.gsa.gov or in GSA's brochure *Acquiring Federal Property for Public Uses*.

# Measuring the Community Benefits of Reuse

In many cases, it is easy to see how redevelopment of surplus federal real estate can benefit a community. For instance, conversion of a vacant government warehouse into a privately owned manufacturing plant provides new jobs, encourages economic growth, and increases local tax revenue while simultaneously saving the Federal Government money. But what about cases without such clear economic outcomes? The creation or preservation of open park space can certainly benefit a community. But what is the best way to measure the benefits of open park space to which no economic impacts like jobs or local tax revenue can be directly attributed?

Through its conveyance or sale of surplus federal real estate, the Office of Property Disposal often provides significant value to taxpayers beyond the traditional measurements such as cost savings, number of transactions, and dollars realized at sale. Because the social benefits to communities are more difficult to objectively measure than economic ones and because they often are manifested some time after a disposal, they are easily overlooked.

# The Community Development Index

To more fully measure the economic as well as social benefits to communities of federal real estate disposal, the Office of Property Disposal has created a new tool to augment its use of traditional case studies. The Community Development Index (CDI)—a composite index made up from available data on community elements such as education, public safety, home ownership, transportation, employment, and income—was created to provide a reliable and replicable method of gauging community development and the potential impact of federal property reuse on that development.

The CDI seeks to capture potential social and economic impacts of federal real estate redevelopment in a comprehensive, practical, repeatable and objective manner. Use of the CDI approach with specific case studies provides for a more detailed and objective understanding of the community benefits of the services provided by GSA's Office of Property Disposal. It also presents the agency with a new tool for gaining a more detailed understanding of community needs before becoming involved in federal real estate disposal activities.

## How does the CDI work?

As suggested in community development, urban planning, and quality-of-life literature, there are six community-level characteristics that serve as indicators of community development. They are employment, income, education, transportation, public safety, and home ownership. Community development can therefore be evaluated by measuring data on each of these factors over a period of time. The individual factors, or indexes, can then be rolled up into a single index (the CDI) to form an objective measure of community development.

The Office of Property Disposal obtains and computes available data on identified communities (either a county, city, or neighborhood) for each of the six index variables from a point in time and averages them to arrive at a community's overall index score, expressed as a percentage. Communities to be examined using the CDI can be identified on the basis of the total number of disposal activities by GSA, their size, the value of the disposal transactions, or, as is usually the case, a combination of all three variables. To analyze the meaning of CDI scores for the communities in which GSA has had significant disposal activity, data for a random sample of all U.S. counties are also collected and a national average CDI score is developed.

The Office of Property Disposal can then repeat the process with data from another point in time and compare the CDI scores with the community's previous score to see if there was improvement overall or in any of the individual components that make up the CDI. The individual community CDI score can also be compared with a national average CDI developed from the randomly chosen sample of all communities. If the CDI percentage improves, then presumably the community saw positive development in most or all of the six indexes that make up the CDI. Some of that community development, depending on the community and the type and size of the federal disposal activity, may have come as a result of the activities of the Office of Property Disposal.



# Cases Supporting the CDI Framework

The Community Development Index approach provides GSA with a valuable new tool in evaluating the social and economic benefits to communities from federal real estate reuse or redevelopment. However, the most detailed understanding of those benefits comes from both using the CDI and examining specific case studies.

The case studies that follow outline not only when, where, how, and why certain disposals took place but also how the use of the CDI supports objective measurement of the social and economic benefits to communities of federal real property reuse. They reflect the different types of disposal activity undertaken every year by the Office of Property Disposal in all regions of the country. To account for the lag in time from a disposal action to the time when community benefits from that disposal could be measured with a tool such as the CDI, the cases that are presented primarily took place in the mid-to-late 1990s.



Lowry Air Force Base Denver, CO



Former Use: Lowry Air Force Base was established in 1937 as an Army Air Corps technical school and was the original home of the U.S. Air Force Academy. Lowry was used as a technical training center for 57 years. Thousands of Army and Air Force airment were trained in bombing, aerial photography, intelligence and ordinance at the base. In addition, President Eisenhower made Lowry his "Summer White House." Lowry was selected as a Base Realignment and Closure (BRAC) during the 1991 round, with its final base closure in September 1994.

Current Use: The local communities of Denver and Aurora were interested in the opportunities presented by the closure of Lowry from its onset. To date, most of Lowry's 1,866 acres have been transferred through economic development and public benefit conveyances or have been leased. The Lowry Redevelopment Authority purchased more than 900 acres from the Air Force through a \$32.5 million economic development conveyance. Eighty-five acres of Lowry were retained by the Air Force to continue its mission activities at the installation.

Lowry's reuse plan called for mixed-use urban development combining business, training, education, recreation, and residential uses to make the maximum use of existing facilities and land.

In 1998, the first residents moved into new homes on the former base. Today, Lowry is home to more than 5,000 residents and 40 businesses, nonprofit organizations, and schools employing 7,000 people. The redevelopment of Lowry is 50 percent complete and has an estimated completion date of 2009.

## **Community Benefits**

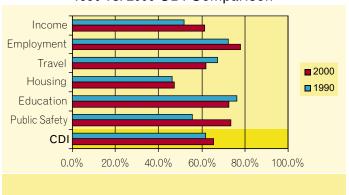
- Eight hundred acres of green space were created, encompassing the largest addition of recreational space to Denver in decades, the equivalent of 20 percent of all parkland in the city today.
- Recreational amenities were created, including more than 120 acres dedicated to sports fields, an ice arena, a golf course, and bike trails.
- Six elementary and secondary schools and three schools for advanced education and training provide learning opportunities.
- Commercial space increased by an additional one million square feet.
- More than 40 businesses, nonprofit organizations, and schools employ 7,000 people.
- An additional 4,000 homes and apartments are available for all levels of residents.

# **Community Development Index**

Denver County had a CDI that improved during the 10-year period 1990–2000 by more than 4%, from 61.2% to 65.4%. This increase was greater than the U.S. national average CDI improvement over the same period. Some of that improvement may be attributed to the impacts of GSA's involvement in the Lowry Air Force Base disposal, given the significant size and scope of the project and its impact on the components of community development as measured in the CDI.

The income and employment indexes of the CDI showed great improvement during the period, potentially as a result of the new businesses and available commercial space on the former Air Force base. In addition, the housing index increased slightly, in part as a result of the large number of new homes and apartments made available as part of the Lowry redevelopment.







Union Gospel Mission Dallas, TX



Former Use: The 4815 Cass Street site in Dallas, Texas, was originally operated by the U.S. Army Corps of Engineers (Corps) as a materials and environmental testing laboratory. The facility occupied 40,000 square feet of a 120,000 square foot building. The Corps discontinued using the laboratory in 1997.

Current Use: After vacating the property, the Corps listed it as excess to its needs and GSA assumed responsibility for its disposal. In 1998, the property was determined to be suitable for a homeless shelter by the U.S. Department of Housing and Urban Development (HUD). In mid-1999, the Union Gospel Mission, a group begun in 1949 to care for the poor and homeless of Dallas, and the City of Dallas expressed a shared interest in reusing the site.

In October 1999, the Union Gospel Mission was given the former Corps laboratory as a public benefit conveyance from the federal government. After renovations, the building opened in February 2002 as a shelter for women, and women with children. The facility is known as the Center of Hope. The shelter can house 234 people, with beds arranged in family units to accommodate women with children, as well as units designated for single women.

At the Center of Hope women and children can obtain access to the Center's emergency services, discipleship program, or use the Child Development Center. Emergency services are provided to all children free of charge. Emergency services include food, clothing, shelter, access to primary medical care and tuberculosis screening, and chapel services. In addition, classes are offered in parenting and job skills, substance abuse management, Christian living, Bible study, literacy, General Education Development (GED), and computer education. The Child Development Center offers classes in music, art, and

computers, along with providing after-school tutoring. The Center of Hope serves to provide short-term assistance or long-term care for up to two years.

## **Community Benefits**

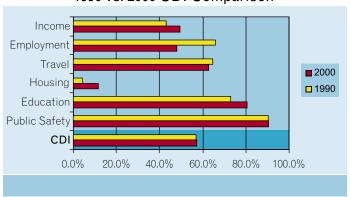
- The Center of Hope provides housing for 234 people, including on-site transitional housing.
- From 2002 to 2003, 787 people received assistance from the Center of Hope, including 384 children.
- Residents receive counseling; mentoring; and computer, job and parenting skills training.
- The Center of Hope provides children transportation to and from school because the shelter is located out of the regular school-bus service area.
- The Center provides for a better educated workforce because children are able to attend school on a regular basis.
- The attendant problems of homelessness are mitigated through a stable location and regular services.

The CDI for the area in which the Union Gospel Mission is located was 56.7% in 1990 and 57% in 2000. The area's CDI was lower than the national average and the increase over the period also was low relative to all U.S. counties. One potential reason for the disparity is the low-housing index score that results from the mostly nonresidential nature of the neighborhood. However, home ownership rates among the limited housing stock did increase substantially over the 10-year period, resulting in a 7% increase in the housing index score. It should also be noted that the transition of the former federal property to a homeless shelter was initiated in the late 1990s but the shelter did not fully open for business until 2002. Generally, the benefits to a community from the reuse of former federal property accrue over time and will manifest in a model like the CDI several years after they occur.

# **Community Development Index**

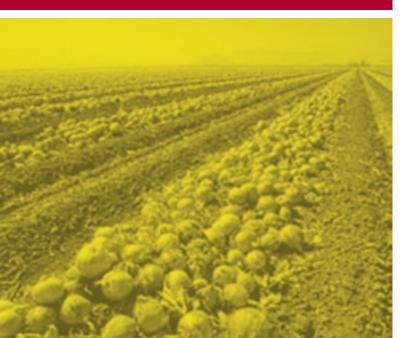
A strength of the CDI model is the flexibility it affords in how a community is defined. For nationwide program-level comparisons, the county is usually chosen as the unit of analysis. However, when data are available for a city or neighborhood, the CDI can be used at a lower level. Because the Cass Street site in Dallas was relatively small, data were collected at a neighborhood level using census tracts and the specific police department beat for that area. Neighborhood school data were unavailable so Dallas city school data were used as a substitute.

# Cass Street Area, Dallas, TX 1990 vs. 2000 CDI Comparison





Gills Onions Oxnard, <u>CA</u>



Former Use: The Department of Energy (DOE) for many years operated a High-Energy Rate Forging Plant in Oxnard, California, a community north of Los Angeles. The high-energy forge process at the plant created precise and high-strength stainless steel components for nuclear weapons. Among these fittings were cups that held explosives encircling nuclear weapon cores that had to be precisely the same shape and size or risk improper detonation. The DOE facility consisted of 13.75 acres with 86,000 square feet of manufacturing and storage space.

When DOE determined that the government no longer needed the Oxnard plant, they worked with GSA to accomplish the closure of the facility with a minimum of disruption to local plant employees. DOE partnered with the City of Oxnard and GSA in an attempt to convert the facility intact into a commercial factory operation.

Current Use: The former DOE Oxnard facility was sold by written auction in early 1997. The successful bidder and purchaser was the California company Gills Onions, the nation's largest producer of fresh whole-peeled, diced and pureed onions. The onions peeled and processed at Gills Onions Oxnard facility continue to store shelves in commercial sauces and salsa, as well as to food service providers and fast-food restaurants all over the country.

Gills Onions recently completed construction of a new storage cooler, processing and cold room, and engine room on the premises at the Oxnard plant. These structures represent Phase I of a three-phase construction plan and complete two of the eight main buildings on the former DOE property. In total, Gills Onions boasts a 95,000-square foot operation that includes 40,000 square feet of processing space, making it the largest onion processing plant in the world. The plant contains a high-technology

food safety laboratory, energy-saving refrigeration and air systems, completely wash down/no maintenance floors, and an innovative lighting system.

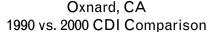
The move to the former DOE facility enabled Gills Onions to accommodate and continue its rapid expansion in the late 1990s. The site also provides room for continued expansion, ensuring that Gills Onions will remain a successful and productive member of the community in Oxnard for many years to come.

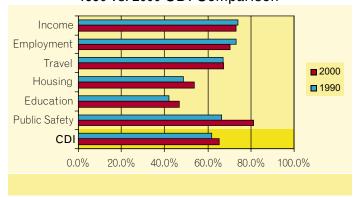
## **Community Benefits**

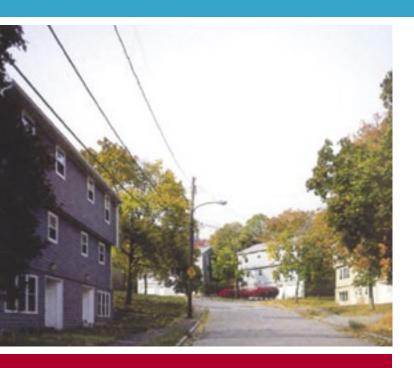
- At the time of the DOE facility purchase, Gills Onions employed 120 people. Today, Gills employs more than 350 people at its facility in Oxnard.
- Gill's 350 plant employees receive full-time benefits, including healthcare coverage, a relatively unique aspect for workers in California's food-processing and agricultural sectors.
- Oxnard local tax revenues increased as a result of returning formerly untaxed federal land to privatesector use.
- Reuse of the DOE land and facilities that were already zoned for heavy manufacturing and commercial use prevented the loss of open space and farmland.

# **Community Development Index**

Oxnard's CDI improved by 3.6% over the 10-year period from 61.3% in 1990 to 64.9% in 2000. Although the overall CDI for Oxnard was lower than that of the national average, its rate of change during the 10-year period exceeded the national average of 3%. The education, housing, and public safety components of the CDI all showed significant improvement, contributing to the overall increase in the CDI. The income and travel components of the CDI remained stable during the period while employment showed a slight decline. The slight decline in the Oxnard employment index was most likely the result of the regionwide economic conditions at the end of the 1990s. Unfortunately, the significant full-time job growth experienced at Gills Onions was not enough to offset the overall decline. However, the decline could have been much larger had the DOE site not been sold to Gills Onions to enable it to achieve its expansion plans.







Former Coast Guard Housing Hyde Park, MA



Former Use: In the early 1960s, the Coast Guard constructed a family housing complex in Hyde Park, a residential community within the boundaries of the city of Boston, to accommodate personnel posted in the Massachusetts Bay area. The complex included 35 two-story duplexes that could house two families per dwelling unit.

In 1997, as a result of a real estate and facilities portfolio analysis done with the GSA, the Coast Guard determined that it was no longer cost efficient to maintain active-duty personnel in the Hyde Park duplexes. Working with the Coast Guard and the city of Boston, the Office of Property Disposal decided to sell the units individually at a public auction. By selling individual duplex units versus selling the whole complex to a single developer, GSA hoped to encourage continued family use by first-time homebuyers who were most in need of moderately priced housing in the area.

Current Use: A public auction was held on September 19, 1998, at which all of the 35 duplexes were sold. The auction brought in \$5.8 million in total, with individual units selling for \$135,000 to \$200,000 each. To encourage and accommodate first-time homebuyers and the elderly, the Office of Property Disposal worked with the city to have incentives in place for them at the auction. As a result, the 70 housing units are now occupied by a variety of people from different backgrounds.

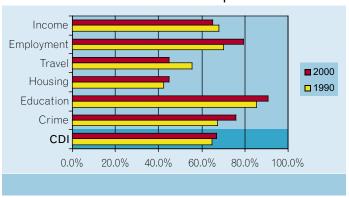
# **Community Benefits**

- The former Coast Guard units sold by GSA accounted for 70 of the 100 new housing units added to the total stock of homes in Hyde Park during the 10-year period between 1990 and 2000.
- The rapid disposal of the properties (within 12 months of the decision to sell by the Coast Guard) ensured that the units would not sit vacant for a long time, thereby avoiding neighborhood blight.
- The city of Boston purchased a playground area from GSA during the auction to be used by the new residents.
- The longer term private homeowners replaced the Coast Guard families that frequently rotated through the housing complex.
- The sale provided new local property tax revenue to the city.

# **The Community Development Index**

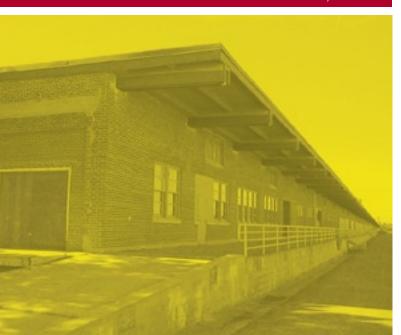
Hyde Park experienced an increase in its CDI during the 10-year period from 1990 to 2000. During that time, Hyde Park's CDI improved from 64.73% to 66.81%, an increase of 2.08%. As the index suggests, Hyde Park appears to be a safe place to live with ample employment opportunities for residents. The housing index showed improvement over the period, arguably as a result of GSA's sale of the 70 former Coast Guard housing units sale. However, the continued lack of affordable home ownership opportunities in the area contribute to an overall housing index score that is significantly lower than the national U.S. county average. The travel index scores also indicate decline during the period. This decrease may be the result of an overcrowded, aging transportation infrastructure and the large negative transportation ripple effects caused by the Big Dig, the largest public works project in the country.







Innerlock Business Development Park Denver, CO



Former Use: The Denver Urban Renewal Authority (DURA) contracted with North Denver Industrial LLC and the Inner-City Community Development Corporation (ICDC) to redevelop the 3800 York Street brownfield site into a fully functional business park.

The 37-acre York Street site in northeast Denver was originally built to house U.S. Army medical supplies from 1942 to 1946. In 1951, the property was transferred to the U.S. Air Force, and functioned as a finance and accounting center until 1969. The property was then conveyed by the General Services Administration (GSA) to the city of Denver and the Denver Public School System in 1977 at a 100% public benefit discount.

Over the next 14 years, the city used 3800 York Street as a health clinic, drug detoxification center, and temporary shelter. The school system used part of the site as a storage facility for school property. With time, the buildings on the site fell into disrepair. In 1991, the city of Denver turned the site back over to the Federal Government. The Denver Public School System followed suit in 1993.

Current Use: This development, known as the Innerlock Business Park, is expected to create at least 1,000 new light manufacturing and office jobs in the area and provide needed training opportunities and day care. The York Street initiative includes an \$18 million redevelopment plan that will be spent over 5 years until the project is completed.

In 1994, ICDC and local government leaders entered into discussions with the GSA regarding the redevelopment of the site. The city placed the Denver Urban Renewal Authority (DURA) in charge of determining the feasibility of revitalization. Through a negotiated sale with the GSA, DURA purchased the site in September 1998.

The site originally contained 17 buildings with more than 650,000 square feet of space that when complete will house offices, light manufacturing, and warehouse space. ICDC is developing portions of the property into a business assistance center, an on-site day care facility, and a health clinic. Renovations to the buildings include repair and replacement of utilities, water systems, and public improvements along street frontages. Approximately 25 percent of the rehabilitation has been completed. Currently, the Innerlock Business Park houses 15 businesses with a total of more than 200 employees.

## **Community Benefits**

- The 3800 York Street initiative is part of a plan to revitalize the economically depressed Clayton neighborhood in Denver.
- The site originally contained 17 buildings with more than 650,000 square feet of space that when complete will house offices, light manufacturing, and warehouse space.
- The mission of the business assistance center will be to provide shared space, staff, and value-added services to enable small businesses, especially those owned by minorities and/or women, to become established and/or to expand to create additional job opportunities for the residents of Northeast Denver.
- The initative represents an \$18 million investment in an economically depressed community.
- The Innerlock Business Park houses 15 businesses providing more than 200 jobs to the local community that had a high unemployment rate.

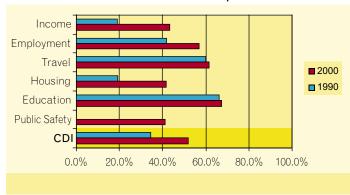
# **Community Development Index**

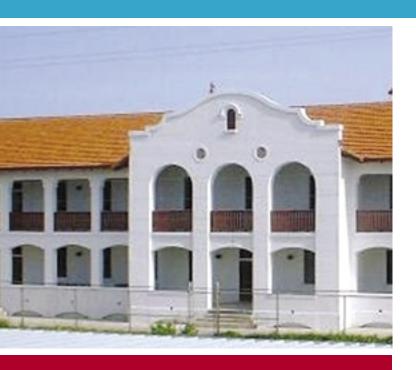
The CDI for the 3800 York Street site was calculated using neighborhood-level data based on census tracts and district police statistics. The more localized CDI in this

case contrasts with the citywide CDI computed for Denver for the Lowry Air Force Base case highlighted on page 6.

At 34.4% in 1990 and 51.9% in 2000, the CDI for the York Street site area was very low compared with both the citywide CDI and the national average. These low CDI scores reflect the lower level of community development that would be expected within an economically depressed inner-city neighborhood. However, partly as a result of GSA's involvement in the redevelopment of the Innerlock Business Development Park, the neighborhood surrounding the York Street site showed significant improvement by more than 17.5% in its CDI score during the 10-year period. Large increases in the income, employment, housing, and public safety components of the index contributed to the great improvement. Public safety in particular played an important role, increasing by more than 40% from the lowest possible score. Clearly, there is still work to be done toward creating a safe, economically strong community with ample opportunities for home ownership and a sound education. However, as a result of redevelopment efforts by GSA, the city, and the community is moving in a positive direction.

# 3800 York Street Area, Denver, CO 1990 vs. 2000 CDI Comparison





Fort Crockett Galveston, TX



Former Use: Fort Crockett, established in 1897, was a military reservation on the beachfront of Galveston Island designated for coast artillery training and harbor defense. During World War I, the fort served as a training and staging ground for soldiers heading to France. From 1943 to 1946, a compound within Fort Crockett housed a number of German prisoners of war. By 1955, Fort Crockett's various roles had run their course and GSA declared the post "surplus."

Current Use: Beginning in 1956, GSA began returning portions of the former fort to the community for reuse and redevelopment through transfers to other federal agencies, conveyances to local groups for community uses, or sales to the public. In 1956, the National Marine Fisheries Service acquired 10 buildings through a federal-to-federal agency transfer to house fisheries research laboratories and offices. In the 1980s, parts of the former fort were targeted for commercial and economic development by GSA and the city. As a result, a 22.5-acre beachfront resort that includes two hotels, condominiums, restaurants, a conference center and recreational facilities was constructed beginning in 1984.

The most recent disposals of portions of the former Fort Crockett occurred in 1999 and 2000. In 1999, 2.45 acres that included five duplexes, a garage, and a warehouse was deeded by a public benefit conveyance to WOMAN, Inc. for use as transitional housing for women and children survivors of domestic violence. The three bedroom duplex units, known as Beacon Place, were renovated to provide safe housing for up to 10 families. In addition, extensive renovations were made to the existing warehouse to create a 2,700-square foot community center with kitchen, laundry, classroom, and common areas for the resident families, as well as 2 offices for administration. In 2000, a

6.4-acre tract of 8 beachfront duplexes was disposed of through public sale to private investors.

## **Community Benefits**

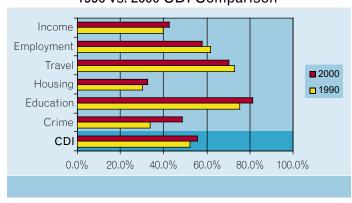
- From its inception in 1999, Beacon Place has served approximately 140 Latino, African-American, and white women and children, representing more than 30 families.
- On average, more than half of Beacon Place residents have moved from minimum-wage jobs or welfare to higher paying positions.
- Eighty percent of Beacon Place residents work full time and almost half attend community college classes while working.
- Four duplexes sold to private investors for redevelopment have been fully renovated at an approximate total cost of \$1 million.
- Beacon Place has produced more property tax revenue from new housing units.
- Beacon Place has increased home-ownership opportunities close to area jobs.
- Beacon Place has resulted in improvements to the physical and historical environment of the area.
- An enhanced social services network within the city is due to Beacon Place.

# **The Community Development Index**

Galveston City experienced an increase in its CDI from 53.74% in 1990 to 57.15% in 2000. The 3.41% increase over the 10-year period is significant given that the U.S. national average for the same period was only 2.22%.

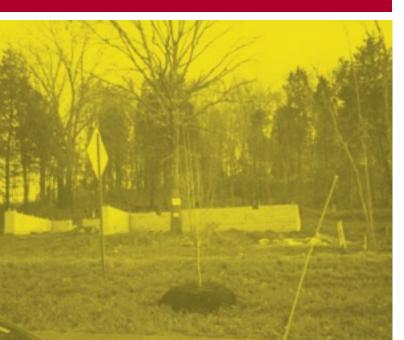
A clearer snapshot of community development in Galveston can be observed by utilizing the CDI design to unpack its component indexes. Galveston appears to have sound educational opportunities for its residents as manifested by low student-teacher ratios. Further, a significant increase in the crime index score suggests vastly improved public safety in the community during the 10-year period. Galveston's housing index scores appear relatively low, even though there was improvement during the 10-year period. Although the illustrated case entailed a relatively small amount of property, it may have been a contributing factor to the increase in the housing index and may continue as a result of further housing development. Employment opportunities appear to have worsened slightly, perhaps as a result of Galveston's seasonal tourism industry and several large hurricanes that hit the area in the late 1990s.







Hickory Hills Subdivision Nashville, TN



Former Use: In the late 1980s, Hickory Hills Associates Ltd. purchased 321 acres in Wilson County, located on the outskirts of Nashville, Tennessee. Hickory Hills Associates, a local development company, bought the land with the intent to build a new residential community. In early 1991, the site was subdivided and named Hickory Hills. Phase I of the development incorporated 156 acres and was partly developed with paved roads, sewers, and gas and water lines for 464 single family residential lots. It also included an outside pool and a clubhouse. Phase II of the project included land-use plans for additional housing units and commercial development on approximately 165 acres. Hickory Hills Associates was able to make the Phase I improvements because of an agreement with the U.S. Department of Housing and Urban Development (HUD) to insure the construction loan. The construction loan was insured through the HUD Title X Land Development Loan Program. This program is no longer offered.

By late 1991 the economy took a turn for the worse and Hickory Hills Associates Ltd. defaulted on the building and loan agreement. Because HUD had insured the property, the federal agency received it in foreclosure. GSA worked with HUD under a Memorandum of Understanding that outlined the role of each agency in the disposal of the property. A quick public sale at auction protected the vacant property from further damage due to vandalism.

Current Use: In late 1991, JCH Enterprises, a local Nashville company, purchased the land at the GSA/HUD auction and kept the name Hickory Hills. Today, the developer has improved the land with 612 single-family detached homes with plans to develop 95 additional acres. The homes sit on approximately 25 acres and range in size from 1,200 to 3,000 square feet with an average home size of 1,850 square feet of living space. The houses and

neighborhoods were specifically designed to address the needs of the families and children. Hence, the clubhouse was completed and a second pool was added thereby giving the community two outdoor swimming pools.

Plans for the 95 acres include developing 230 townhomes and a commercial strip. The commercial area has been enhanced with a sewer line and a traffic signal. In the future, there are plans to build a larger retailer or a grocery strip mall on the site to serve the local community.

# **Community Benefits**

- The property's value was preserved and timely development was ensured by its rapid disposal.
- The development of the Hickory Hills subdivision created 600 plus new home ownership opportunities primarily for first-time homeowners and young families.
- The community property tax base was significantly increased by the addition of new homeowners.
- Local jobs will be created and the community sales tax base will increase when the retail portion is developed.
- Affordable housing was created close to downtown Nashville.

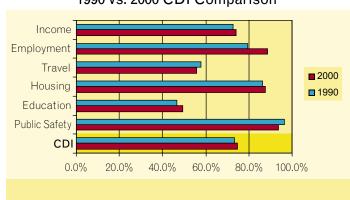
# **The Community Development Index**

The CDI for Wilson County improved slightly over the 10-year period, from 73.3% in 1990 to 75% in 2000. Although the 1.7% increase was slightly lower than that of the U.S. national average CDI county improvement over the same period, Wilson County's 1990 CDI was almost 5% higher than the U.S. national average. In other words, Wilson

County was already a strong community to start with, as measured by the component variables of the CDI. Public safety was particularly strong, with CDI scores registering in the mid-to-high 90 percents.

The improvement in Wilson County's CDI was largely the result of significant increases in employment in the area. As the retail portion of the Hickory Hills project is developed, even more job opportunities will be added to the area. The housing index also increased, potentially as a result of the 600 new housing units created in the Hickory Hills subdivision. The family focus of the Hickory Hills development appears to have also added value to the community, as the education index saw signs of improvement over the 10-year period.







Naval Industrial Reserve Ordnance Plant Pomona, CA



Former Use: The Naval Industrial Ordnance Plant was built as a government-owned, contractor-operated weapons production facility in 1952. The site consisted of almost 2 million square feet of building space on 166 acres, including a 10-acre park for employees. Employing 12,000 people at its peak, the plant closed in 1995 after the weapons production was transferred to another state. The General Services Administration (GSA) and the city of Pomona began exploring reuse options to minimize the economic impact of closure before receiving a Report of Excess from the Navy.

**Current Use:** In November 1997, the city of Pomona purchased 105 acres of the plant for industrial reuse at a cost of \$13.1 million. The city identified several opportunities for developing the former federal site by the commercial and manufacturing sectors.

Two furniture-manufacturing companies located facilities on the property. One company that employs more than 500 people for the manufacture of high-end home furniture invested approximately \$10 million in improvements to existing space and now occupies more than 300,000 square feet, including a retail center. The other furniture company employs more than 300 people for the production of institutional furniture. In addition to the furniture companies, a picture-frame company provides an additional 50 full-time jobs and various subtenants, including Cal State Polytechnic University College of Engineering, Pomona Mitsubishi, Crocker Industries, and Nutro Products, provide additional employment opportunities.

A 10-acre parcel of the site consisting of 10 state-of-the-art industrial facilities was recently redeveloped at a cost of more than \$20 million and is being occupied by various manufacturing companies. Remaining space housed the

Census Bureau's office for the 2000 census, providing more than 2,500 temporary jobs associated with that exercise. The city also now operates the existing 10-acre park that includes a gym and several ball fields.

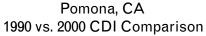
In addition to the 105 acres that the city of Pomona purchased, another 55 acres was given to the city for a number of public benefit conveyances. The California State Lands Commission received almost \$6 million in cash and a promissory note for another \$7.2 million for the benefit of the California Retired Teachers Association. The federal Bureau of Land Management (BLM) received \$13 million worth of state-owned lands for expanding national parks and wilderness areas in Southern California. Because of the timely collaboration of all parties, GSA concluded sale negotiations quickly, saving the Navy more than \$1 million in maintenance costs. The Ordnance Plan was the first high-value property to be disposed of under the California Desert Protection Act. GSA, BLM, the Navy, California State Lands Commission, and the City of Pomona all participated in this negotiated sale.

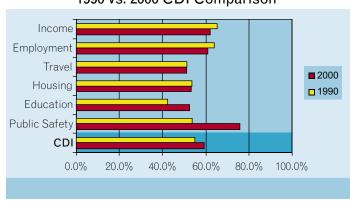
# **Community Benefits**

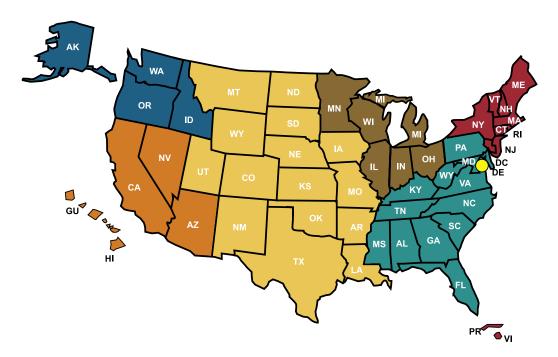
- Property reuse resulted in preserving 160 acres of green space.
- Approximately 900 long-term and 2,500 short-term jobs were created.
- More than \$1 million in tax dollars was saved through effective government partnering.

# **Community Development Index**

The CDI for Pomona increased by 4.25% over the 10-year period from 54.9% in 1990 to 59.1% in 2000. Although lower than the national average 1990 and 2000 CDI scores of 68% and 70%, respectively, the increase in Pomona's CDI was roughly double the amount seen over the same period by the average U.S. county. Most of the change came as a result of improvements to public safety and education. However, although the income and employment indexes dropped slightly over the period, the decline was likely far less severe than would have been seen if GSA and the city had not aggressively sought to mitigate the job losses from the closure of the Naval Industrial Reserve Ordnance Plant through redevelopment of the site.









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